

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA
DOCKET NO. 96-034-E - ORDER NO. 96-222✓
MARCH 27, 1996

IN RE: Petition of Duke Power Company for) ORDER
Approval of the Transfer of Property) APPROVING
in North Carolina.) TRANSFER OF
) PROPERTY

This matter comes before the Public Service Commission of South Carolina (the Commission) on the Motion for Expedited Approval filed by Duke Power Company (Duke or the Company) on March 22, 1996.

On February 1, 1996, Duke filed a Petition with the Commission for approval of the disposition of two parcels of property located in Salisbury, North Carolina. Both parcels are located at 525 North Main Street in Salisbury, North Carolina. These parcels of property are not required for current utility operations. The property to be transferred consists of the following: 1.39 acres (Parcel 43010) of land and .210 acre (Parcel 43267) of land and facilities. The Petition was filed pursuant to S.C. Code Ann. Section 58-27-1300. Parcel 43267 was listed with CB Commercial Real-Estate Group for approximately 18 months. Several inquiries were made, but no serious offers were received. Parcel 43010 was not listed with a realtor but received numerous inquiries from prospects following a newspaper article in the local paper about Duke's plans to relocate its operations. The

estimated market value as reported in the appraisal by Robinson Associates, an independent appraisal firm in Salisbury, North Carolina, dated March 14, 1995 is \$1,187,000.

On January 17, 1996, Duke and Fisher Harriss Development Company, Inc. entered into a contract for the sale of the property at a price of \$1,150,000. On February 13, 1996, Duke published a Notice of Filing in the Salisbury newspaper, and as of March 21, 1996, there has been no intervention in this matter.

In its Petition, Duke requested authority in accord with the FERC Uniform System of Accounts for Electric Utilities, that the original cost of the parcels being sold be credited as a reduction of the amounts carried upon the books of the Company under Account 101, Electric Plant in Service. The difference between the sale price and the original cost of the parcels will be applied to Account 421.20, Loss on Disposition of Utility Property. The property has not been included in South Carolina retail rate base because it is allocated 100% to North Carolina operations.

Duke states in its Petition that in view of the goal of efficiency on the part of Duke and the Commission, Duke believes that to require a separate public hearing on the sale of this property under these conditions would be inappropriate, and that the weekly Commission hearing is an appropriate forum to approve the proposed sale. According to Duke, the sale will not adversely affect the general body of customers. Therefore, Duke requests that the Commission approve its Petition at its regularly scheduled Tuesday meeting and waive a formal hearing. Duke has filed the verified testimony of Tony E. Maye, a Senior Real-Estate

representative for Duke. The verified testimony affirms the facts of the case as stated above.

The Commission has examined this matter, and believes that the Motion for Expedited Approval made by Duke should be granted. No interventions have been received in this matter, nor does this matter affect the general body of subscribers of the Company. Therefore, the Commission believes that the discussion of the matter at its regular weekly meeting, based on the verified testimony and other material, may and does constitute that due hearing described by S. C. Code Ann. Section 58-27-1300 (Supp. 1995). Further, the Commission has examined the contents of the record in this case, and agrees that the facts and conclusions as stated by Duke are correct, and that the sale of the property in Salisbury, North Carolina should be approved, with the accounting treatment as proposed by Duke.

This Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:


Chairman

ATTEST:


Executive Director

(SEAL)